

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

**Project Staff Report  
Tax-Exempt Bond Project  
August 23, 2023**

Creekview Affordable, located at 3440 Westbrook Boulevard & 1040 Lower Bank Drive in Roseville, requested and is being recommended for a reservation of \$5,970,824 in annual federal tax credits to finance the new construction of 281 units of housing serving families with rents affordable to households earning 30%-70% of area median income (AMI). The project will be developed by USA Multi-Family Development, Inc. and will be located in Senate District 6 and Assembly District 5.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-23-526

**Project Name** Creekview Affordable  
Site Address: 3440 Westbrook Boulevard & 1040 Lower Bank Drive  
Roseville, CA 95747  
County: Placer  
Census Tract: 213.28

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$5,970,824	\$0
Recommended:	\$5,970,824	\$0

**Applicant Information**

Applicant: Roseville 712, L.P.  
Contact: Darren Bobrowsky  
Address: 3200 Douglas Boulevard, Suite 200  
Roseville, CA 95661  
Phone: (916) 865-3981  
Email: dbobrowsky@usapropfund.com

General Partner(s) or Principal Owner(s): USA Roseville 712, Inc.  
Riverside Charitable Corporation  
General Partner Type: Joint Venture  
Parent Company(ies): USA Properties Fund, Inc.  
Developer: USA Multi-Family Development, Inc.  
Bond Issuer: California Municipal Finance Authority  
Investor/Consultant: WNC  
Management Agent: USA Multifamily Management, Inc.

**Project Information**

Construction Type: New Construction  
Total # Residential Buildings: 3  
Total # of Units: 284  
No. / % of Low Income Units: 281 100.00%  
Federal Set-Aside Elected: 40%/60% Average Income  
Federal Subsidy: Tax-Exempt/HUD Section 8 Project-based Vouchers (8 Units - 3%)

**Information**

Housing Type: Large Family  
 Geographic Area: Capital Region  
 CTCAC Project Analyst: Jacob Paixao

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	29	10%
50% AMI:	91	32%
70% AMI:	161	57%

**Unit Mix**

97 1-Bedroom Units
116 2-Bedroom Units
71 3-Bedroom Units
<b>284 Total Units</b>

<b>Unit Type &amp; Number</b>	<b>2022 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
3 1 Bedroom	30%	\$570
7 1 Bedroom	30%	\$570
31 1 Bedroom	50%	\$950
56 1 Bedroom	70%	\$1,330
3 2 Bedrooms	30%	\$684
9 2 Bedrooms	30%	\$684
37 2 Bedrooms	50%	\$1,140
64 2 Bedrooms	70%	\$1,577
2 3 Bedrooms	30%	\$790
5 3 Bedrooms	30%	\$790
23 3 Bedrooms	50%	\$1,317
41 3 Bedrooms	70%	\$1,844
3 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$244,141
Construction Costs	\$61,364,658
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$4,504,446
Soft Cost Contingency	\$1,011,299
Relocation	\$0
Architectural/Engineering	\$2,696,476
Const. Interest, Perm. Financing	\$20,362,350
Legal Fees	\$85,000
Reserves	\$1,048,979
Other Costs	\$16,162,555
Developer Fee	\$14,976,984
Commercial Costs	\$0
<b>Total</b>	<b>\$122,456,888</b>

## Residential

Construction Cost Per Square Foot:	\$215
Per Unit Cost:	\$431,186
True Cash Per Unit Cost*:	\$374,351

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$63,000,000	Citibank: Tax-Exempt	\$45,810,000
Citibank: Recycled	\$3,500,000	USA Properties Fund, Inc.	\$1,600,000
Citibank: Taxable	\$16,950,000	Interest Income	\$6,615,000
USA Properties Fund, Inc.	\$1,600,000	Net Operating Income	\$2,353,813
Bond Investment Income	\$5,145,000	Deferred Developer Fee	\$12,340,659
Net Operating Income	\$346,175	Tax Credit Equity	\$53,737,416
Deferred Costs	\$16,141,173	<b>TOTAL</b>	<b>\$122,456,888</b>
Tax Credit Equity	\$10,747,483		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$114,823,545
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$149,270,609
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$5,970,824
Approved Developer Fee (in Project Cost & Eligible Basis):	\$14,976,984
Investor/Consultant:	WNC
Federal Tax Credit Factor:	\$0.90000

Except as allowed for projects basing cost on assumed third party debt, the "as if vacant" land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

### Significant Information / Additional Conditions

This project consists of 281 large family units and 3 manager's units divided on two sites. Site 1 hosts two buildings of 168 units and site 2 hosts one building of 116 units.

This project's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$5,000. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$4,251 on agreement of the permanent lender and equity investor.

**Resyndication and Resyndication Transfer Event:** None.

### Standard Conditions

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by CTCAC in its final feasibility analysis.

### **CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).